

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE PETITION OF BLACK)
HILLS POWER INC. DBA BLACK HILLS ENERGY)
FOR APPROVAL OF DEFERRED ACCOUNTING)
TREATMENT FOR SD SUN PROJECT)
TRANSACTION AND DEVELOPMENT COSTS)**

**ORDER DENYING
INTERVENTION**

EL19-028

On July 31, 2019, the South Dakota Public Utilities Commission (Commission) received a petition from Black Hills Power, Inc. dba Black Hills Energy (BHE) requesting approval from the Commission to utilize deferred accounting and establish a regulatory asset related to the acquisition of development rights for three solar energy projects collectively known as the SD Sun Projects. In March of 2018, the Company acquired the ownership interests in the SD Sun Project Companies, which at the time were owners of the SD Sun Projects being developed as Qualifying Facility projects under the Public Utility Regulatory Policy Act of 1978 (PURPA). The SD Sun Projects were in various stages of development at the time of acquisition, and BHE was obligated to purchase the eventual output from these projects pursuant to PURPA. The Company states the decision to purchase the development rights of these projects would avoid approximately \$4,700,000 in annual costs for fuel and purchased power for customers. BHE also states it evaluated various options for developing the SD Sun Projects as a utility-owned resource but determined that it was not economically feasible to do so. BHE seeks approval to amortize the transaction and development costs related to the SD Sun Projects over a period of time beginning September 1, 2019, through December 31, 2022.

On August 1, 2019, the Commission electronically transmitted notice of the filing and the intervention deadline of August 16, 2019, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. On August 14, 2019, Fall River Solar, LLC (Fall River Solar) filed a Petition to Intervene. On September 24, 2019, BHE filed an objection to Fall River Solar's Petition to Intervene.

The Commission has jurisdiction of this matter pursuant to SDCL Chapter 1-26, specifically 1-26-17.1, and ARSD 20:10:01:15.02 through 20:10:01:15.05.

At its regularly scheduled meeting on October 1, 2019, the Commission considered the petition for intervention and heard arguments from Fall River Solar, BHE, and Commission Staff. Finding that Fall River Solar had not demonstrated an immediate and direct interest in the outcome of the docket, the Commission voted unanimously to deny intervention to Fall River Solar. It is therefore

ORDERED, that Fall River Solar's Petition to Intervene is hereby denied.

Dated at Pierre, South Dakota, this 2nd day of October 2019.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.
By: <u>Karol E. Cremer</u>
Date: <u>10/02/19</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Gary Hanson
GARY HANSON, Chairman

Chris Nelson
CHRIS NELSON, Commissioner

Kristie Fiegen
KRISTIE FIEGEN, Commissioner